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Lithuania

Market Development Reports

Update: Detention of Transshipments

2006

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Report Highlights:

As reported in September 2006 (GAINS LH6004), U.S. products destined for transshipment were facing more scrutiny and in certain cases were being detained by Lithuanian authorities in the port of Klaipeda. Due to the use of alternate ports and greater exporter awareness about how to handle the new strict interpretation of EU transshipment regulations, there have been minimal reports of problems for U.S. products transshipped through Lithuania in October and November.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Warsaw [PL1] [LH] As reported in September 2006 (GAINS LH6004), U.S. products destined for transshipment were facing more scrutiny and in certain cases were being detained by Lithuanian authorities in the port of Klaipeda. These products were destined for transshipment onto third counties such as Kazakhstan and Ukraine. Lithuanian officials informed FAS Warsaw that they had started to more strictly enforce EU transshipment regulations governing documentation and identity checks. As a result, products with box labels or markings that indicated a destination other than the country importing the product or products with labels in a language not used in the destination country were detained.

In October and November 2006 there have been few reported problems and no delays in the transshipment of U.S. agricultural products through the port of Klaipeda. Reasons for the lack of detentions include:

- Increased use of alternate ports such as the port in Poti, Georgia (despite some weaknesses in the cold chain) as well as increased use of the port in Kaliningrad, Russia:
- Greater awareness among exporters and traders regarding problems that could be caused by differences in the destination indicated on the packaging and the actual destination;
- Arrangements made by exporters to obtain an acceptance letter from the Chief Veterinary Office (CVO) in the final country of destination prior to the shipment's arrival in Klaipeda.

Based on recent experience, we recommend that U.S. products have packaging and box labels that list the actual destination. In cases where the destination country has changed and repackaging is not feasible, obtaining a letter of acceptance from the Chief Veterinary Officer in the destination country prior to the shipment's arrival at Klaipeda port should prevent delays. If the CVO in Lithuania requests the acceptance letter from the third country's CVO after the shipment's detention in Klaipeda, the shipper will likely face demurrage changes which could be significant by the time the shipment is released.